

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re: ) Chapter 11  
W. R. GRACE & CO., et al.,<sup>1</sup> )  
Debtors. ) Case No. 01-01139 (JKF)  
 ) (Jointly Administered)  
 )  
 ) **Objection Deadline: To Be Determined**  
 ) **Hearing Date: June 23, 2008, at 1:00 p.m. (ET)**

**SUMMARY OF TWENTY-SEVENTH QUARTERLY INTERIM VERIFIED  
APPLICATION OF KIRKLAND & ELLIS LLP FOR COMPENSATION FOR  
SERVICES AND REIMBURSEMENT OF EXPENSES AS BANKRUPTCY  
COUNSEL TO W. R. GRACE & CO., ET AL., FOR THE INTERIM PERIOD  
FROM OCTOBER 1, 2007 THROUGH DECEMBER 31, 2007**

Name of Applicant:	<b><u>Kirkland &amp; Ellis LLP</u></b>
Authorized to Provide Professional Services to:	<b><u>W. R. Grace &amp; Co., et al., Debtors and Debtors-in-Possession</u></b>
Date of Retention:	<b><u>Retention Order entered May 3, 2001, effective as of April 2, 2001</u></b>
Period for which compensation and reimbursement is sought:	<b><u>October 1, 2007 through December 31, 2007</u></b>
Amount of Compensation sought as actual, reasonable, and necessary:	<b><u>\$7,183,739.50</u></b>
Amount of Expense Reimbursement sought as actual, reasonable and necessary:	<b><u>\$4,071,771.01</u></b>
This is a: <u>  </u> monthly <u> x </u> quarterly application.	

<sup>1</sup> The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

## Previous fee applications:

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
May 29, 2001	4/2 – 4/30/01	\$626,079.00	\$32,439.84	Interim approval <sup>2</sup>	Interim approval
June 29, 2001	5/1 – 5/31/01	\$567,151.00	\$77,487.86	Interim approval	Interim approval
July 31, 2001	6/1 – 6/30/01	\$560,569.50	\$45,466.13	Interim approval	Interim approval
July 31, 2001	April – June, 2001	\$1,753,799.50	\$155,393.83	\$1,753,799.50	\$155,393.83
August 28, 2001	7/1 – 7/31/01	\$476,582.50	\$25,312.13	Interim approval <sup>2</sup>	Interim approval
September 28, 2001	8/1 – 8/31/01	\$472,334.50	\$29,022.59	Interim approval	Interim approval
October 30, 2001	9/1 – 9/30/01	\$443,617.50	\$27,147.47	Interim approval	Interim approval
November 7, 2001	July – September, 2001	\$1,392,534.50	\$81,482.19	\$1,392,534.50	\$81,482.19
December 11, 2001	10/1 – 10/31/01	\$493,074.00	\$27,724.54	Interim approval <sup>2</sup>	Interim approval
December 29, 2001	11/1 – 11/30/01	\$524,980.00	\$29,678.21	Interim approval	Interim approval
January 31, 2002	12/1 – 12/31/01	\$405,278.50	\$27,276.95	Interim approval	Interim approval
February 7, 2002	October – December, 2001	\$1,423,332.50	\$84,679.70	\$1,419,127.00	\$84,679.70
March 4, 2002	1/1 – 1/31/02	\$439,056.00	\$32,279.54	Interim approval <sup>3</sup>	Interim approval
March 27, 2002	2/1 – 2/28/02	\$412,304.00	\$18,475.64	Interim approval	Interim approval
May 2, 2002	3/1 – 3/31/02	\$430,342.50	\$51,759.20	Interim approval	Interim approval
June 10, 2002	January – March, 2002	\$1,281,702.50	\$102,514.38	\$1,281,702.50	\$101,656.38
June 10, 2002	4/1 – 4/30/02	\$410,702.50	\$25,286.05	Interim approval <sup>4</sup>	Interim approval
July 2, 2002	5/1 – 5/31/02	\$335,280.50	\$25,556.83	Interim approval	Interim approval
August 8, 2002	6/1 – 6/30/02	\$243,127.00	\$16,326.36	Interim approval	Interim approval
September 3, 2002	April – June, 2002	\$989,110.00	\$67,169.24	\$981,666.50	\$67,169.24
September 11, 2002	7/1 – 7/31/02	\$335,129.00	\$28,504.48	Interim approval <sup>5</sup>	Interim approval
October 2, 2002	8/1 – 8/31/02	\$344,619.00	\$86,047.20	Interim approval	Interim approval
October 30, 2002	9/1 – 9/30/02	\$238,876.50	\$20,882.49	Interim approval	Interim approval
November 27, 2002	July – September, 2002	\$918,624.50	\$135,434.17	\$918,624.50	\$134,478.90
December 6, 2002	10/1 – 10/31/02	\$207,778.00	\$7,769.74	Interim approval <sup>6</sup>	Interim approval
January 13, 2003	11/1 – 11/30/02	\$122,419.00	\$4,732.30	Interim approval	Interim approval
January 30, 2003	12/1 – 12/31/02	\$129,243.50	\$6,093.80	Interim approval	Interim approval
March 4, 2003	October – December, 2002	\$459,440.50	\$18,595.84	\$459,440.50	\$18,467.74

<sup>2</sup> The fees and expenses requested in the April-June, 2001, July-September, 2001 and October-December, 2001, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on November 29, 2002.

<sup>3</sup> The fees and expenses requested in the January-March, 2002, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on October 9, 2002.

<sup>4</sup> The fees and expenses requested in the April-June, 2002, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on November 29, 2002.

<sup>5</sup> The fees and expenses requested in the July-September, 2002, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on March 14, 2003.

<sup>6</sup> The fees and expenses requested in the October-December, 2002, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on July 28, 2003.

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
March 4, 2003	1/1 – 1/31/03	\$162,033.00	\$6,383.16	Interim approval <sup>7</sup>	Interim approval
April 2, 2003	2/1 – 2/28/03	\$215,511.50	\$3,784.70	Interim approval	Interim approval
April 29, 2003	3/1 – 3/31/03	\$146,603.00	\$6,713.84	Interim approval	Interim approval
May 15, 2003	January – March, 2003	\$524,147.50	\$16,881.70	\$524,045.50	\$16,881.70
June 3, 2003	4/1 – 4/30/03	\$135,130.00	\$2,786.42	Interim approval <sup>8</sup>	Interim approval
July 11, 2003	5/1 – 5/31/03	\$109,408.00	\$6,546.04	Interim approval	Interim approval
July 31, 2003	6/1 – 6/30/03	\$115,099.00	\$1,925.86	Interim approval	Interim approval
August 27, 2003	April – June, 2003	\$359,637.00	\$11,258.32	\$357,346.00	\$11,183.48
September 5, 2003	7/1 – 7/31/03	\$197,495.50	\$9,235.33	Interim approval <sup>9</sup>	Interim approval
October 1, 2003	8/1 – 8/31/03	\$178,910.50	\$7,009.66	Interim approval	Interim approval
November 6, 2003	9/1 – 9/30/03	\$157,200.00	\$3,817.57	Interim approval	Interim approval
November 18, 2003	July – September, 2003	\$533,606.00	\$20,062.56	\$533,606.00	\$20,062.56
November 26, 2003	10/1 – 10/31/03	\$251,093.50	\$7,115.96	Interim approval <sup>10</sup>	Interim approval
December 29, 2003	11/1 – 11/30/03	\$187,914.00	\$4,969.88	Interim approval	Interim approval
February 2, 2004	12/1 - 12/31/03	\$317,880.00	\$8,631.60	Interim approval	Interim approval
February 25, 2004	October – December, 2003	\$756,887.50	\$20,717.44	\$756,838.00	\$20,717.44
March 5, 2004	1/1 – 1/31/04	\$524,446.00	\$32,428.07	Interim approval <sup>11</sup>	Interim approval
April 2, 2004	2/1 – 2/29/04	\$274,589.50	\$10,852.51	Interim approval	Interim approval
May 3, 2004	3/1 – 3/31/04	\$337,945.00	\$13,159.10	Interim approval	Interim approval
May 17, 2004	January – March, 2004	\$1,136,980.50	\$56,439.68	\$1,134,755.00	\$56,439.68
June 1, 2004	4/1 – 4/30/04	\$280,547.50	\$10,895.93	Interim approval <sup>12</sup>	Interim approval
July 1, 2004	5/1 – 5/31/04	\$213,906.00	\$9,502.49	Interim approval	Interim approval
September 2, 2004	6/1 – 6/30/04	\$430,246.50	\$15,235.72	Interim approval	Interim approval
October 6, 2004	April – June, 2004	\$924,700.00	\$35,634.14	\$918,960.50	\$35,557.55

<sup>7</sup> The fees and expenses requested in the January-March, 2003, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on September 22, 2003.

<sup>8</sup> The fees and expenses requested in the April-June, 2003, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on December 15, 2003.

<sup>9</sup> The fees and expenses requested in the July-September, 2003, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on April 26, 2004.

<sup>10</sup> The fees and expenses requested in the October-December, 2003, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on June 16, 2004.

<sup>11</sup> The fees and expenses requested in the January-March, 2004, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on September 27, 2004.

<sup>12</sup> The fees and expenses requested in the April-June, 2004, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on January 25, 2005.

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
September 17, 2004	7/1 - 7/31/04	\$599,563.50	\$27,869.76	Interim approval <sup>13</sup>	Interim approval
October 7, 2004	8/1 - 8/31/04	\$793,285.00	\$45,729.42	Interim approval	Interim approval
November 3, 2004	9/1 - 9/30/04	\$913,771.00	\$32,811.19	Interim approval	Interim approval
November 17, 2004	July – September, 2004	\$2,306,619.50	\$106,410.37	\$2,298,879.00	\$105,176.56
December 7, 2004	10/1 - 10/31/04	\$842,268.50	\$38,703.13	Interim approval <sup>14</sup>	Interim approval
January 7, 2004	11/1 - 11/30/04	\$581,027.00	\$35,469.12	Interim approval	Interim approval
February 1, 2005	12/1 - 12/31/04	\$863,104.50	\$38,461.17	Interim approval	Interim approval
February 14, 2005	October – December, 2004	\$2,286,400.00	\$112,633.42	\$2,279,008.50	\$110,200.64
March 18, 2005	1/1 - 1/31/05	\$1,214,802.50	\$65,721.17	Interim approval <sup>15</sup>	Interim approval
April 15, 2005	2/1 - 2/28/05	\$717,562.00	\$46,304.21	Interim approval	Interim approval
May 19, 2005	3/1 - 3/31/05	\$916,504.00	\$50,822.73	Interim approval	Interim approval
June 15, 2005	January – March, 2005	\$2,848,868.50	\$162,848.11	\$2,833,566.00	\$162,482.21
June 7, 2005	4/1 - 4/30/05	\$862,337.00	\$32,392.41	Interim approval <sup>16</sup>	Interim approval
June 29, 2005	5/1 - 5/31/05	\$852,424.50	\$52,685.55	Interim approval	Interim approval
August 5, 2005	6/1 - 6/30/05	\$1,181,036.00	\$58,504.79	Interim approval	Interim approval
August 8, 2005	April - June, 2005	\$2,895,797.50	\$143,582.75	\$2,894,660.00	\$143,530.87
September 9, 2005	7/1 - 7/31/05	\$1,740,148.50	\$155,036.60	Interim approval <sup>17</sup>	Interim approval
September 28, 2005	8/1 - 8/31/05	\$1,451,595.50	\$95,151.93	Interim approval	Interim approval
October 28, 2005	9/1 - 9/30/05	\$1,471,412.50	\$128,814.69	Interim approval	Interim approval
October 28, 2005	July – September, 2005	\$4,663,156.50	\$379,003.22	\$4,655,239.50	\$378,588.48
November 29, 2005	10/1/05 - 10/31/05	\$1,602,349.50	\$111,318.89	Interim approval <sup>18</sup>	Interim approval
December 29, 2005	11/1/05 - 11/30/05	\$1,743,406.00	\$182,798.39	Interim approval	Interim approval
January 28, 2006	12/1/05 - 12/31/05	\$1,638,659.50	\$161,888.24	Interim approval	Interim approval
February 14, 2006	October - December, 2005	\$4,984,415.00	\$456,005.52	\$4,978,349.00	\$453,367.08
February 28, 2006	1/1/06 - 1/31/06	\$1,667,688.00	\$176,100.89	Interim approval <sup>19</sup>	Interim approval

<sup>13</sup> The fees and expenses requested in the July-September, 2004, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on March 22, 2005.

<sup>14</sup> The fees and expenses requested in the October-December, 2004, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on June 29, 2005.

<sup>15</sup> The fees and expenses requested in the January-March, 2005, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on September 26, 2005.

<sup>16</sup> The fees and expenses requested in the April 1, 2005 through June 30, 2005, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on December 19, 2005.

<sup>17</sup> The fees and expenses requested in the July-September, 2005 interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on March 27, 2006.

<sup>18</sup> The fees and expenses requested in the October-December, 2005 interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on June 16, 2006.

<sup>19</sup> The fees and expenses requested in the January-March, 2006, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on September 25, 2006.

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
March 28, 2006	2/1/06 - 2/28/06	\$1,669,067.50	\$395,113.02	Interim approval	Interim approval
April 28, 2006	3/1/06 - 3/31/06	\$1,615,330.00	\$685,462.58	Interim approval	Interim approval
May 15, 2006	January - March, 2006	\$4,952,085.50	\$1,256,676.49	\$4,942,401.50	\$1,256,429.49
May 30, 2006	4/1/06 - 4/30/06	\$1,628,876.50	\$814,117.99	Interim approval <sup>20</sup>	Interim approval
June 28, 2006	5/1/06 - 5/31/06	\$1,800,762.00	\$311,657.73	Interim approval	Interim approval
July 28, 2006	6/1/06 - 6/30/06	\$1,666,537.00	\$207,374.07	Interim approval	Interim approval
August 14, 2006	April - June, 2006	\$5,096,175.75	\$1,333,149.79	\$5,096,175.50	\$1,331,919.73
August 28, 2006	7/1/06 - 7/31/06	\$2,026,266.00	\$155,509.57	Interim approval <sup>21</sup>	Interim approval
September 28, 2006	8/1/06- 8/31/06	\$2,458,300.00	\$377,534.56	Interim approval	Interim approval
October 30, 2006	9/1/06 - 9/30/06	\$1,508,315.00	\$454,899.58	Interim approval	Interim approval
November 14, 2006	July - September, 2006	\$5,992,881.00	\$987,943.71	\$5,984,268.75	\$986,255.71
November 28, 2006	10/1/06 - 10/31/06	\$1,732,139.00	\$698,068.49	Interim approval <sup>22</sup>	Interim approval
December 28, 2006	11/1/06 - 11/30/06	\$1,846,984.50	\$860,948.29	Interim approval	Interim approval
January 29, 2006	12/1/06 - 12/31/06	\$1,577,574.50	\$1,171,910.97	Interim approval	Interim approval
February 14, 2007	October - December, 2006	\$5,156,698.00	\$2,730,927.75	\$5,155,238.00	\$2,730,927.75
February 28, 2007	1/1/07 - 1/31/07	\$1,653,083.50	\$505,470.24	Interim approval <sup>23</sup>	Interim approval
March 28, 2007	2/1/07 - 2/28/07	\$1,855,844.00	\$793,394.48	Interim approval	Interim approval
April 30, 2007	3/1/07 - 3/31/07	\$2,043,431.50	\$614,588.91	Interim approval	Interim approval
May 15, 2007	January - March, 2007	\$5,552,359.00	\$1,913,453.63	\$5,547,606.50	\$1,913,453.63
May 29, 2007	4/1/07 - 4/30/07	\$1,617,793.00	\$1,471,980.14	Interim approval <sup>24</sup>	Interim approval
June 28, 2007	5/1/07 - 5/31/07	\$1,886,409.50	\$1,580,009.04	Interim approval	Interim approval
July 30, 2007	6/1/07 - 6/30/07	\$2,301,815.00	\$2,237,072.31	Interim approval	Interim approval
August 14, 2007	April - June, 2007	\$5,552,359.00	\$1,913,453.63	Pending	Pending
August 28, 2007	7/1/07 - 7/31/07	\$2,031,978.00	\$3,054,735.85	\$1,625,582.40	\$3,054,735.85
September 28, 2007	8/1/07 8/31/07	\$2,141,450.50	\$1,524,583.81	\$1,713,160.40	\$1,524,583.81
October 29, 2007	9/1/07 - 9/30/07	\$1,851,837.50	\$2,068,988.69	\$1,481,470.00	\$2,068,988.69
November 14, 2007	7/1/07 9/30/07	\$6,025,266.00	\$6,648,308.35	Pending	Pending
November 28, 2007	10/1/07 - 10/31/07	\$2,819,249.00	\$1,902,419.07	\$2,255,399.20	\$1,902,419.07
December 28, 2007	11/1/07 - 11/30/07	\$2,218,978.50	\$1,307,904.30	\$1,775,182.80	\$1,307,904.30
January 28, 2008	12/1/07 - 12/31/07	\$2,145,512.00	\$861,447.64	\$1,716,409.60	\$861,447.64

<sup>20</sup> The fees and expenses requested in the April-June, 2006, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on December 18, 2006.

<sup>21</sup> The fees and expenses requested in the July-September, 2006, interim monthly Applications were approved on an interim basis pursuant to the amended order entered by this Court on May 3, 2007.

<sup>22</sup> The fees and expenses requested in October-December, 2006, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on June 20, 2007.

<sup>23</sup> The fees and expenses requested in January-March, 2007, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on September 24, 2007.

<sup>24</sup> The fees and expenses requested in April-June, 2007, interim monthly Applications were approved on an interim basis pursuant to the order entered by this Court on December 13, 2007.

K&E has filed certificates of no objection with the Court with respect to the Monthly Fee Applications for October and November 2007, because no objections were filed with the Court within the objection period. As of the filing of this Quarterly Application, the objection deadline for the December 2007 Monthly Fee Application has not yet expired. The hearing for the Quarterly Application for the interim period July 1, 2007 through September 30, 2007, has been scheduled for March 17, 2008. The hearing for the interim period October 1, 2007 through December 31, 2007 has been scheduled for June 23, 2008.

The K&E attorneys who rendered professional services in these cases during the Fee Period are:<sup>25</sup>

Name of Professional Person	Position with the Applicant and Year Admitted		Department	Hourly Billing Rate	Total Billed Hours	Total Compensation
F. Wade Ackerman	Associate	2004	Litigation	\$405.00	222.70	\$90,193.50
Ellen T. Ahern	Partner	1992	Litigation	\$545.00	518.70	\$282,691.50
Janet S. Baer	Partner	1982	Restructuring	\$755.00	427.30	\$322,611.50
Amanda C. Basta	Associate	2002	Litigation	\$465.00	581.20	\$270,258.00
David M. Bernick, P.C.	Partner	1978	Litigation	\$870.00	326.60	\$284,142.00
Salvatore F. Bianca	Associate	2003 (grad. 2001)	Litigation	\$485.00	336.50	\$163,202.50
Samuel Blatnick	Associate	2003	Litigation	\$435.00	293.50	\$127,672.50
Deanna D. Boll	Partner	1998	Restructuring	\$575.00	275.50	\$158,412.50
Christopher C. Chiou	Associate	2004	Litigation	\$405.00	3.50	\$1,417.50
Jeanne T. Cohn-Connor	Partner	1985	Environment	\$595.00	11.90	\$7,080.50
Michael Dierkes	Associate	2001	Litigation	\$485.00	19.00	\$9,215.00
John Donley	Partner	1985	Litigation	\$675.00	218.80	\$147,690.00
Timothy A. Duffy	Partner	1994	Litigation	\$595.00	312.00	\$185,640.00
Laura M. Durity	Associate	2007	Litigation	\$275.00	274.90	\$75,597.50
Carter W. Emerson, P.C.	Of Counsel	1972	Corporate	\$875.00	0.80	\$700.00
Susan Engel	Partner	2003	Litigation	\$485.00	5.60	\$2,716.00
Lisa G. Esayian	Partner	1991	Litigation	\$570.00	20.80	\$11,856.00
Korin K. Ewing	Associate	2000	Litigation	\$485.00	216.90	\$105,196.50
Peter A. Farrell	Associate	2006	Litigation	\$315.00	134.60	\$42,399.00
Theodore L. Freedman	Partner	1973	Restructuring	\$810.00	357.50	\$289,575.00
Andrea L. Frost	Associate	2004	Restructuring	\$465.00	183.30	\$85,234.50

<sup>25</sup> Any capitalized terms not defined herein have the meaning ascribed to them in the Twenty-Seventh Quarterly Interim Verified Application of Kirkland & Ellis LLP for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel to W. R. Grace & Co., et al., for October 1, 2007 through December 30, 2007.

Name of Professional Person	Position with the Applicant and Year Admitted		Department	Hourly Billing Rate	Total Billed Hours	Total Compensation
James Golden	Associate	2005	Litigation	\$355.00	62.00	\$22,010.00
John P. Gonsoulin	Associate	2001	Litigation	\$485.00	58.80	\$28,518.00
Nicole L. Greenblatt	Associate	2003	Restructuring	\$535.00	1.70	\$909.50
Samuel M. Gross	Associate	2006	Restructuring	\$370.00	19.80	\$7,326.00
Barbara M. Harding	Partner	1988	Litigation	\$550.00	435.30	\$239,415.00
Raina A. Jones	Associate	2006	Litigation	\$315.00	306.40	\$96,516.00
Alex L. Karan	Partner	2000	Litigation	\$485.00	231.10	\$112,083.50
Natalie H. Keller	Partner	1997	Taxation	\$590.00	2.10	\$1,239.00
Ritu Kelotra	Associate	Pending	Litigation	\$275.00	448.90	\$123,447.50
Patrick J. King	Associate	2007	Litigation	\$275.00	338.30	\$93,032.50
Rebecca A. Koch	Associate	2005	Litigation	\$355.00	19.90	\$7,064.50
M. Natasha Labovitz	Partner	1997	Restructuring	\$695.00	2.60	\$1,807.00
Walter R. Lancaster	Partner	1987	Litigation	\$675.00	155.20	\$104,760.00
Christopher Landau, P.C.	Partner	1990	Litigation	\$795.00	161.40	\$128,313.00
Devon M. Largio	Associate	Pending	Litigation	\$275.00	18.90	\$5,197.50
Elli Leibenstein	Partner	1992	Litigation	\$595.00	356.30	\$211,998.50
Elizabeth M. Locke	Associate	2005	Litigation	\$355.00	11.50	\$4,082.50
Tyler D. Mace	Associate	2003	Litigation	\$435.00	301.60	\$131,196.00
Todd F. Maynes, P.C.	Partner	1988	Taxation	\$835.00	8.10	\$6,763.50
Scott A. McMillin	Partner	1996	Litigation	\$550.00	503.00	\$276,650.00
David E. Mendelson	Partner	1997	Litigation	\$500.00	466.90	\$233,450.00
Joy L. Monahan	Associate	1997	Restructuring	\$415.00	17.20	\$7,138.00
Matthew E. Nirider	Associate	2006	Litigation	\$315.00	178.00	\$56,070.00
Amanda Raad	Associate	2005	Litigation	\$355.00	187.10	\$66,420.50
Lee Rudofsky	Associate	2006	Litigation	\$355.00	6.00	\$2,130.00
Andrew R. Running	Partner	1982	Litigation	\$655.00	39.70	\$26,003.50
Michael E. Scoville	Associate	2004	Litigation	\$455.00	6.20	\$2,821.00
Ashley Share	Associate	2006	Restructuring	\$370.00	60.60	\$22,422.00
Pratibha J. Shenoy	Of Counsel	2001	Taxation	\$515.00	13.70	\$7,055.50
Michael D. Shumsky	Associate	2004	Litigation	\$435.00	62.80	\$27,318.00
Lori Sinanyan	Partner	2000	Restructuring	\$560.00	219.20	\$122,752.00
Gregory L. Skidmore	Associate	2006	Litigation	\$355.00	8.50	\$3,017.50
Renee D. Smith	Partner	1995	Litigation	\$550.00	139.00	\$76,450.00
Brian T. Stansbury	Associate	2002	Litigation	\$465.00	343.90	\$159,913.50
Henry A. Thompson, II	Associate	2006	Litigation	\$315.00	614.00	\$193,410.00
Tammy A. Tsoumas	Associate	2007	Litigation	\$330.00	99.00	\$32,670.00
Laurence A. Urgenson	Partner	1976	Litigation	\$795.00	259.10	\$205,984.50
Jeffrey B. Wall	Associate	2006	Litigation	\$455.00	5.50	\$2,502.50
Edward W. Warren, P.C.	Of Counsel	1969	Environment	\$695.00	6.50	\$4,517.50
Peter J. Wozniak	Associate	Pending	Litigation	\$275.00	512.80	\$141,020.00
Evan C. Zoldan	Associate	2004	Litigation	\$435.00	252.10	\$109,663.50
<b>Totals for Attorneys</b>					<b>11,682.30</b>	<b>\$5,768,560.50</b>

The paraprofessionals of K&E who rendered professional services in these cases during the Fee Period are:

Name of Paraprofessional Person	Position with the Applicant and Number of Years as a Paraprofessional	Department	Hourly Billing Rate	Total Billed Hours	Total Compensation	
April Albrecht	Technology Services	5 Years	Litigation	\$165.00	187.00	\$30,855.00
Toni Anderson	Technology Services	3 Years	Litigation	\$165.00	6.20	\$1,023.00
Deborah L. Bibbs	Legal Assistant	1 Year	Restructuring	\$190.00	278.80	\$52,972.00
Derek J. Bremer	Technology Services	4 Years	Litigation	\$200.00	31.00	\$6,200.00
Kathleen E. Cawley	Legal Assistant	14 Years	Litigation	\$245.00	0.40	\$98.00
Mahmood Dualeh	Technology Services	7 Years	Litigation	\$215.00	28.00	\$6,020.00
Andrew Erskine	Project Assistant	6 Months	Litigation	\$150.00	582.60	\$87,390.00
Timothy J. Fitzsimmons	Legal Assistant	1 Year	Litigation	\$225.00	501.50	\$112,837.50
Stephanie D. Frye	Restructuring Conflicts Coordinator	1 Year	Administrative Services	\$190.00	7.00	\$1,330.00
Maria D. Gaytan	Case Assistant	6 Years	Litigation	\$135.00	161.80	\$21,843.00
Marvin R. Gibbons, Jr.	Technology Services	21 Years	Litigation	\$215.00	87.70	\$18,855.50
Britton R. Giroux	Case Assistant	2 Years	Litigation	\$140.00	518.70	\$72,618.00
Timothy Greene	Project Assistant	5 Months	Litigation	\$140.00	515.80	\$72,212.00
Meghan M. Haynes	Legal Assistant	1 Year	Litigation	\$175.00	250.00	\$43,750.00
Claude W. Irmis	Legal Assistant	10 Years	Restructuring	\$250.00	9.20	\$2,300.00
Ayesha Johnson	Case Assistant	5 Months	Litigation	\$140.00	536.80	\$75,152.00
Travis J. Langenkamp	Legal Assistant	11 Years	Litigation	\$245.00	596.50	\$146,142.50
Kimberly K. Love	Legal Assistant	20 Years	Litigation	\$235.00	397.10	\$93,318.50
Anne R. Lubinsky	Technology Services	3 Years	Litigation	\$165.00	25.00	\$4,125.00
Emily Malloy	Project Assistant	12 Months	Litigation	\$140.00	575.20	\$80,528.00
Maureen McCarthy	Legal Assistant	5 Years	Restructuring	\$220.00	36.10	\$7,942.00
P. Ryan Messier	Case Assistant	3 Months	Litigation	\$140.00	435.50	\$60,970.00
Robert E. Moore	Technology Services	2 Years	Litigation	\$200.00	6.50	\$1,300.00
Khalid M. Osman	Legal Assistant	7 Years	Litigation	\$200.00	7.50	\$1,500.00
Alicja M. Patela	Case Assistant	1 Year	Litigation	\$140.00	10.00	\$1,400.00
Bianca Portillo	Project Assistant	1 Year	Restructuring	\$145.00	273.60	\$39,672.00
Stephanie A. Rein	Legal Assistant	1 Year	Litigation	\$175.00	157.30	\$27,527.50
Daniel T. Rooney	Legal Assistant	13 Years	Litigation	\$225.00	594.30	\$133,717.50
Michael A. Rosenberg	Legal Assistant	2 Years	Litigation	\$200.00	19.00	\$3,800.00
Andrew J. Ross	Case Assistant	7 Months	Litigation	\$140.00	533.80	\$74,732.00
Aaron Rutell	Technology Services	5 Months	Litigation	\$160.00	51.50	\$8,240.00
Linda A. Scussel	Restructuring Conflicts Coordinator	2 Years	Administrative Services	\$215.00	14.40	\$3,096.00
Elizabeth Sheyn	Law Clerk	6 Months	Litigation	\$195.00	10.10	\$1,969.50

Name of Paraprofessional Person	Position with the Applicant and Number of Years as a Paraprofessional		Department	Hourly Billing Rate	Total Billed Hours	Total Compensation
Carmelo A. Soto	Technology Services	7 Years	Litigation	\$215.00	45.50	\$9,782.50
Terrell D. Stansbury	Legal Assistant	3 Years	Litigation	\$190.00	326.10	\$61,959.00
Rafael M. Suarez	Technology Services	2 Years	Litigation	\$190.00	80.00	\$15,200.00
Gary M. Vogt	Legal Assistant	20 Years	Litigation	\$250.00	8.10	\$2,025.00
Marlynda L. Vorv	Legal Assistant	5 Months	Litigation	\$200.00	25.00	\$5,000.00
Jessica E. Wood	Legal Assistant	3 Months	Litigation	\$175.00	6.00	\$1,050.00
Library Research	Research Specialist	N/A	Administrative Services	\$195.00	126.80	\$24,726.00
<b>Totals for Paraprofessionals</b>					<b>8,063.40</b>	<b>\$1,415,179.00</b>

**Grand Total for Fees:** \$7,183,739.50  
**Blended Rate:** \$363.81

Compensation by Matter

Matter Number	Matter Description	Total Billed Hours	Total Fees Requested
17	Relief from Stay	23.10	\$12,347.00
19	Claims Analysis Objection and Resolution (Non-Asbestos)	85.50	\$47,259.00
20	Case Administration	404.90	\$92,590.00
21	Claims Analysis Objection and Resolution (Asbestos)	15,741.80	\$5,436,482.00
23	Business Operations	58.20	\$33,656.00
27	Employee Benefits/Pension	0.60	\$340.00
28	Litigation and Litigation Consulting	271.30	\$159,288.50
30	Hearings	51.60	\$30,953.50
31	Asset Disposition	3.40	\$1,904.00
32	Fee Applications, Applicant	165.90	\$70,889.00
35	Fee Applications Others	21.90	\$7,021.50
37	Plan and Disclosure Statement	164.30	\$56,398.00
38	Employment Applications, Others	28.20	\$16,406.50
41	Tax Issues	27.20	\$16,658.00
42	Travel non-working	126.10	\$65,317.00
54	Employment Applications, Applicant	30.90	\$8,710.00
57	Montana Grand Jury Investigation	2,480.40	\$1,103,220.00
58	Criminal Travel Matter, No Third Parties	60.40	\$24,299.50
<b>Totals for Matters</b>		<b>19,745.70</b>	<b>\$7,183,739.50</b>

**EXPENSE SUMMARY**

Service Description	Amount
Airfare	\$49,312.92
Bates Labels/Print & Affix	\$3.25
Binding	\$279.30
Calendar/Court Services	\$150.00
Car Rental	\$622.76
Cash Credits	(\$418.25)
CD-ROM Duplicates	\$2,716.00
CD-ROM Master	\$182.00
Color Copies or Prints	\$8,507.00
Computer Database Research	\$54,422.73
Court Reporter Fee/Deposition	\$136,818.62
Expert Fees	\$1,581,241.44
Fax Charge	\$17.40
Fax Charges	\$10.84
Filing Fees	\$809.00
Foreign Local Counsel	\$4,861.64
Information Broker Doc/Svcs	\$23,399.71
Investigators	\$4,541.25
Library Document Procurement	\$6,477.59
Local Transportation	\$4,315.24
Miscellaneous Office Expenses	\$70.86
Other Travel Expenses	\$4,371.05
Outside Computer Services	\$64,445.80
Outside Copy/Binding Services	\$213,300.52
Outside Messenger Services	\$4,976.70
Outside Video Services	\$20,716.90
Overnight Delivery	\$19,354.79
Overtime Meals	\$2,314.53
Overtime Meals - Attorney	\$2,589.99
Overtime Meals - Legal Assistant	\$434.71
Overtime Transportation	\$6,742.14
Postage	\$35.79
Process Server Fees	\$10,774.29
Professional Fees	\$1,649,463.13
Rental Expenses	\$8,181.23
Scanned Images	\$2,913.90
Secretarial Overtime	\$5,173.80
Standard Copies or Prints	\$66,359.80
Tabs/Indexes/Dividers	\$589.00
Telephone	\$4,297.48
Transportation to/from airport	\$12,328.35
Travel Expense	\$35,156.83
Travel Meals	\$6,096.97
Trial Office Expenses	\$44,649.00
Witness Fees	\$90.93
Word Processing Overtime	\$183.84
Working Meals/K&E and Others	\$7,156.68
Working Meals/K&E Only	\$731.56
<b>Totals for Expenses</b>	<b>\$4,071,771.01</b>

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re: ) Chapter 11  
 )  
W. R. GRACE & CO., et al.,<sup>1</sup> ) Case No. 01-01139 (JKF)  
 ) (Jointly Administered)  
 )  
Debtors. ) Objection Deadline: To Be Determined  
 ) Hearing Date: June 23, 2008, at 1:00 p.m. (ET)

**TWENTY-SEVENTH QUARTERLY INTERIM VERIFIED APPLICATION OF  
KIRKLAND & ELLIS LLP FOR COMPENSATION FOR SERVICES AND  
REIMBURSEMENT OF EXPENSES AS BANKRUPTCY COUNSEL  
TO W. R. GRACE & CO., ET AL., FOR THE INTERIM PERIOD  
FROM OCTOBER 1, 2007 THROUGH DECEMBER 31, 2007**

Pursuant to sections 327, 330 and 331 of title 11 of the United States Code (as amended, the “Bankruptcy Code”), Fed. R. Bankr. P. 2016, the Retention Order (as defined below), the Administrative Order Under 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement of Professionals and Official Committee Members (the “Interim Compensation Order”), the Amended Administrative Order under 11 U.S.C. §§ 105(a) and 331 Establishing Revised Procedures for Interim Compensation and

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<sup>1</sup> The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food ‘N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

Reimbursement of Expenses for Professionals and Official Committee Members (the “Amended Interim Compensation Order”) and Del.Bankr.LR 2016-2, the law firm of Kirkland & Ellis LLP (“Kirkland & Ellis” or “K&E”), bankruptcy counsel for the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”) in their chapter 11 cases, hereby applies for an order allowing it (i) compensation in the amount of \$7,183,739.50 for the reasonable and necessary legal services K&E has rendered to the Debtors and (ii) reimbursement for the actual and necessary expenses that K&E has incurred in the amount of \$4,071,771.01 (the “Twenty-Seventh Quarterly Fee Application”), in each case for the interim quarterly period from October 1, 2007, through December 31, 2007 (the “Fee Period”). In support of this Twenty-Seventh Quarterly Fee Application, K&E respectfully states as follows:

#### **BACKGROUND**

##### **Retention of Kirkland & Ellis**

1. On April 2, 2001 (the “Petition Date”), the Debtors each filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code (collectively, the “Chapter 11 Cases”). On April 2, 2001, the Court entered an order procedurally consolidating the Chapter 11 Cases for administrative purposes only. Since the Petition Date, the Debtors have continued to operate their businesses and manage their properties as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. By this Court’s order dated May 3, 2001, the Debtors were authorized to retain K&E as their counsel, effective as of the Petition Date, with regard to the filing and prosecution of the Chapter 11 Cases and all related matters (the “Retention Order”). The Retention Order authorizes the Debtors to compensate K&E at K&E’s hourly rates charged for services of this type and to be reimbursed for actual and necessary out-of-pocket expenses that it

incurred, subject to application to this Court in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, all applicable local rules and orders of this Court.

**Monthly Interim Fee Applications Covered Herein**

3. Pursuant to the procedures set forth in the Interim Compensation Order, as amended by the Amended Interim Compensation Order, professionals may apply for monthly compensation and reimbursement (each such application, a “Monthly Fee Application”), and the notice parties listed in the Amended Interim Compensation Order may object to such request. If no notice party objects to a professional’s Monthly Fee Application within twenty (20) days after the date of service of the Monthly Fee Application, the applicable professional may submit to the Court a certification of no objection whereupon the Debtors are authorized to pay interim compensation and reimbursement of 80% of the fees and 100% of the expenses requested.

4. Furthermore, and also pursuant to the Amended Interim Compensation Order, within 45 days of the end of each quarter, professionals are to file and serve upon the notice parties a quarterly request (a “Quarterly Fee Application”) for interim Court approval and allowance of the Monthly Fee Applications filed during the quarter covered by that Quarterly Fee Application. If the Court grants the relief requested by the Quarterly Fee Application, the Debtors are authorized and directed to pay the professional 100% of the fees and expenses requested in the Monthly Fee Applications covered by that Quarterly Fee Application less any amounts previously paid in connection with the Monthly Fee Applications. Any payment made pursuant to the Monthly Fee Applications or a Quarterly Fee Application is subject to final approval of all fees and expenses at a hearing on the professional’s final fee application.

5. This Quarterly Fee Application, which is submitted in accordance with the Amended Interim Compensation Order, is the Twenty-Seventh Fee Application for compensation for services rendered that K&E has filed with the Bankruptcy Court in connection

with the Chapter 11 Cases, and covers the Fee Period of October 1, 2007, through December 31, 2007.

6. K&E has filed the following Monthly Fee Applications for interim compensation during this Fee Period:

- a. Summary Application of Kirkland & Ellis LLP for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel to W.R. Grace & Co., et al., for the Monthly Interim Period from October 1, 2007, through October 31, 2007, filed November 28, 2007, (the "October Fee Application") attached hereto as Exhibit A;
- b. Summary Application of Kirkland & Ellis LLP for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel to W.R. Grace & Co., et al., for the Monthly Interim Period from November 1, 2007, through November 30, 2007, filed December 28, 2007, (the "November Fee Application") attached hereto as Exhibit B; and
- c. Summary Application of Kirkland & Ellis LLP for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel to W.R. Grace & Co., et al., for the Monthly Interim Period from December 1, 2007, through December 31, 2007, filed January 28, 2007, (the "December Fee Application") (collectively, the October Fee Application, the November Fee Application and the December Fee Application are the "Applications") attached hereto as Exhibit C.

7. The periods for objecting to the fees and expense reimbursement requested in the October and November Fee Applications passed without any objections being filed, whereupon the Debtors filed certificates of no objection with the Court and have either paid or will pay interim compensation and reimbursement of 80% of the fees and 100% of the expenses requested. The deadline for objecting to the December Fee Application has not passed yet.

8. K&E has advised and represented the Debtors in connection with the operation of their businesses and other matters arising in the performance of their duties as a debtors-in-possession during the period covered by the Twenty-Seventh Quarterly Fee Application. Furthermore, K&E has prepared various pleadings, motions and other papers submitted to this Court for consideration, has appeared before this Court during hearings

regarding these cases and has performed various other professional services that are described in the Applications.

### **Previous Quarterly Fee Applications**

9. K&E has previously filed the following Quarterly Fee Applications:
  - a. First Quarterly Interim Verified Application of Kirkland & Ellis for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W. R. Grace & Co., et al., for the Interim Period from April 2, 2001 through June 30, 2001, filed August 2, 2001, (the "First Quarterly Fee Application");
  - b. Second Quarterly Interim Verified Application of Kirkland & Ellis for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W. R. Grace & Co., et al., for the Interim Period from July 1, 2001 through September 30, 2001, filed November 7, 2001, (the "Second Quarterly Fee Application");
  - c. Third Quarterly Interim Verified Application of Kirkland & Ellis for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W. R. Grace & Co., et al., for the Interim Period from October 1, 2001 through December 31, 2001, filed February 7, 2002, (the "Third Quarterly Fee Application ");
  - d. Fourth Quarterly Interim Verified Application of Kirkland & Ellis for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W. R. Grace & Co., et al., for the Interim Period from January 1, 2002 through March 31, 2002, filed June 10, 2002 (the "Fourth Quarterly Fee Application");
  - e. Fifth Quarterly Interim Verified Application of Kirkland & Ellis for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W.R. Grace & Co., et al., for the Interim Period from April 1, 2002 through June 30, 2002, filed September 30, 2002 (the "Fifth Quarterly Fee Application");
  - f. Sixth Quarterly Interim Verified Application of Kirkland & Ellis for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W.R. Grace & Co., et al., for the Interim Period from July 1, 2002 through September 30, 2002, filed November 27, 2002 (the "Sixth Quarterly Fee Application");

- g. Seventh Quarterly Interim Verified Application of Kirkland & Ellis for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W.R. Grace & Co., et al., for the Interim Period from October 1, 2002 through December 31, 2002, filed March 4, 2003 (the "Seventh Quarterly Fee Application");
- h. Eighth Quarterly Interim Verified Application of Kirkland & Ellis for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W.R. Grace & Co., et al., for the Interim Period from January 1, 2003 through March 31, 2003, filed May 15, 2003 (the "Eighth Quarterly Fee Application");
- i. Ninth Quarterly Interim Verified Application of Kirkland & Ellis LLP for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W.R. Grace & Co., et al., for the Interim Period from April 1, 2003 through June 30, 2003, filed August 27, 2003 (the "Ninth Quarterly Fee Application");
- j. Tenth Quarterly Interim Verified Application of Kirkland & Ellis LLP for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W.R. Grace & Co., et al., for the Interim Period from July 1, 2003 through September 30, 2003, filed November 18, 2003 (the "Tenth Quarterly Fee Application");
- k. Eleventh Quarterly Interim Verified Application of Kirkland & Ellis LLP for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W.R. Grace & Co., et al., for the Interim Period from October 1, 2003 through December 31, 2003, filed February 11, 2004 (the "Eleventh Quarterly Fee Application");
- l. Twelfth Quarterly Interim Verified Application of Kirkland & Ellis LLP for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W.R. Grace & Co., et al., for the Interim Period from January 1, 2004 through March 31, 2004, filed May 17, 2004 (the "Twelfth Quarterly Fee Application");
- m. Thirteenth Quarterly Interim Verified Application of Kirkland & Ellis LLP for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W.R. Grace & Co., et al., for the Interim Period from April 1, 2004 through June 30, 2004, filed October 6, 2004 (the "Thirteenth Quarterly Fee Application");
- n. Fourteenth Quarterly Interim Verified Application of Kirkland & Ellis LLP for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W.R. Grace & Co., et al., for the Interim Period from July 1, 2004 through September 30, 2004, filed November 17, 2004 (the "Fourteenth Quarterly Fee Application");

- o. Fifteenth Quarterly Interim Verified Application of Kirkland & Ellis LLP for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W.R. Grace & Co., et al., for the Interim Period from October 1, 2004 through December 31, 2004, filed February 14, 2005 (the "Fifteenth Quarterly Fee Application");
- p. Sixteenth Quarterly Interim Verified Application of Kirkland & Ellis LLP for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W.R. Grace & Co., et al., for the Interim Period from January 1, 2005 through March 31, 2005, filed June 15, 2005 (the "Sixteenth Quarterly Fee Application");
- q. Seventeenth Quarterly Interim Verified Application of Kirkland & Ellis LLP for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W.R. Grace & Co., et al., for the Interim Period from April 1, 2005 through June 30, 2005, filed August 8, 2005 (the "Seventeenth Quarterly Fee Application");
- r. Eighteenth Quarterly Interim Verified Application of Kirkland & Ellis LLP for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W.R. Grace & Co., et al., for the Interim Period from July 1, 2005 through September 30, 2005, filed October 28, 2005 (the "Eighteenth Quarterly Fee Application");
- s. Nineteenth Quarterly Interim Verified Application of Kirkland & Ellis LLP for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W.R. Grace & Co., et al., for the Interim Period from October 1, 2005 through December 31, 2005, filed February 14, 2006 (the "Nineteenth Quarterly Fee Application");
- t. Twentieth Quarterly Interim Verified Application of Kirkland & Ellis LLP for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W.R. Grace & Co., et al., for the Interim Period from January 1, 2006 through March 31, 2006, filed May 15, 2006 (the "Twentieth Quarterly Fee Application");
- u. Twenty-First Quarterly Interim Verified Application of Kirkland & Ellis LLP for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W.R. Grace & Co., et al., for the Interim Period from April 1, 2006 through June 30, 2006, filed August 14, 2006 (the "Twenty-First Quarterly Fee Application");

- v. Twenty-Second Quarterly Interim Verified Application of Kirkland & Ellis LLP for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W.R. Grace & Co., et al., for the Interim Period from July 1, 2006 through September 30, 2006, filed November 14, 2006 (the "Twenty-Second Quarterly Fee Application");
- w. Twenty-Third Quarterly Interim Verified Application of Kirkland & Ellis LLP for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W.R. Grace & Co., et al., for the Interim Period from October 1, 2006 through December 31, 2006, filed February 14, 2007 (the "Twenty-Third Quarterly Fee Application");
- x. Twenty-Fourth Quarterly Interim Verified Application of Kirkland & Ellis LLP for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W.R. Grace & Co., et al., for the Interim Period from January 1, 2007 through March 31, 2007, filed May 15, 2007 (the "Twenty-Fourth Quarterly Fee Application");
- y. Twenty-Fifth Quarterly Interim Verified Application of Kirkland & Ellis LLP for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W.R. Grace & Co., et al., for the Interim Period from April 1, 2007 through June 30, 2007, filed August 14, 2007 (the "Twenty-Fifth Quarterly Fee Application"); and
- z. Twenty-Sixth Quarterly Interim Verified Application of Kirkland & Ellis LLP for Compensation for Services and Reimbursement of Expenses as Bankruptcy Counsel for W.R. Grace & Co., et al., for the Interim Period from July 1, 2007 through September 30, 2007, filed November 14, 2007 (the "Twenty-Sixth Quarterly Fee Application") (collectively, the First through Twenty-Sixth Quarterly Fee Applications are the "Quarterly Applications").

10. There have been no objections filed with respect to the Quarterly Applications. The hearing for the Quarterly Application for the interim period July 1, 2007 through September 30, 2007, has been scheduled for March 17, 2008. The hearing for the Quarterly Application for the interim period October 1, 2007 through December 31, 2007, has been scheduled for June 23, 2008. The Debtors have filed certificates of no objection with respect to each of the three monthly Fee Applications related to each of the above-listed Quarterly Applications and have paid, or will pay, in each case, 100% of the compensation requested for fees and reimbursed 100% of the expenses requested in the First through

Twenty-Sixth Quarterly Fee Applications (less certain fees and expenses disallowed by the Court). The First, Second, Third and Fifth Quarterly Fee Applications were heard on November 25, 2002, and orders were entered on November 29, 2002, granting interim compensation and reimbursement for the First, Second, Third and Fifth Quarterly Fee Applications. The Fourth Quarterly Fee Application was heard on August 26, 2002, and an order was entered on October 9, 2002, granting interim compensation and reimbursement of expenses requested in the Fourth Quarterly Fee Application. An order was entered on March 14, 2003, granting interim compensation and reimbursement of expenses requested in the Sixth Quarterly Fee Application. The Seventh Quarterly Fee Application was heard on June 17, 2003, and an order was entered on July 28, 2003, granting interim compensation and reimbursement of expenses requested in the Seventh Quarterly Fee Application. The Eighth Quarterly Fee Application was heard on September 22, 2003, and an order was entered on September 22, 2003, granting interim compensation and reimbursement of expenses requested in the Eighth Quarterly Fee Application. The Ninth Quarterly Fee Application was heard on December 15, 2003, and an order was entered on December 15, 2003<sup>2</sup>, granting interim compensation and reimbursement of expenses requested in the Ninth Quarterly Fee Application. The Tenth Quarterly Fee Application was heard on March 22, 2004, and an order was entered on April 26, 2004 granting interim compensation and reimbursement of expenses requested in the Tenth Quarterly Fee Application. An order was entered on June 16, 2004, granting interim compensation and reimbursement of expenses requested in The Eleventh Quarterly Fee Application. The Twelfth Quarterly Fee Application was heard on September 27, 2004, and an order was entered on

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<sup>2</sup> An amended order correcting certain information on the Exhibit was entered on December 19, 2003.

September 27, 2004 granting interim compensation and reimbursement of expenses requested in the Twelfth Quarterly Fee Application. The Thirteenth Quarterly Fee Application was heard on December 20, 2004, and an order was entered on January 26, 2005 granting interim compensation and reimbursement of expenses requested in the Thirteenth Quarterly Fee Application. The Fourteenth Quarterly Fee Application was heard on March 21, 2005, and an order was entered on March 22, 2005 granting interim compensation and reimbursement of expenses requested in the Fourteenth Quarterly Fee Application. The Fifteenth Quarterly Fee Application was heard on June 27, 2005, and an order was entered on June 29, 2005 granting interim compensation and reimbursement of expenses requested in the Fifteenth Quarterly Fee Application. The Sixteenth Quarterly Fee Application was heard on September 26, 2005, and an order was entered on September 26, 2005 granting interim compensation and reimbursement of expenses requested in the Sixteenth Quarterly Fee Application. The Seventeenth Quarterly Fee Application was heard on December 19, 2005, and an order was entered on December 19, 2005, granting interim compensation and reimbursement of expenses requested in the Seventeenth Quarterly Fee Application. The Eighteenth Quarterly Fee Application was heard on March 27, 2006, and an order was entered on March 27, 2006, granting interim compensation and reimbursement of expenses requested in the Eighteenth Quarterly Fee Application. An order was entered on June 16, 2006, granting interim compensation and reimbursement of expenses requested in the Nineteenth Quarterly Fee Application. The Twentieth Quarterly Fee Application was heard on September 25, 2006, and an order was entered on September 25, 2006, granting interim compensation and reimbursement of expenses requested in the Twentieth Quarterly Fee Application. The Twenty-First Quarterly Fee Application was heard on December 18, 2006, and an order was entered on December 18, 2006, granting interim compensation and

reimbursement of expenses requested in the Twenty-First Quarterly Fee Application. An order was entered on March 30, 2007, and an amended order was entered on May 3, 2007, granting interim compensation and reimbursement of expenses requested in the Twenty-Second Quarterly Fee Application. An order was entered on June 20, 2007, granting interim compensation and reimbursement of expenses requested in the Twenty-Third Quarterly Fee Application. The Twenty-Fourth Quarterly Fee Application was heard on September 24, 2007, and an order was entered on September 24, 2007, granting interim compensation and reimbursement of expenses requested in the Twenty-Fourth Quarterly Fee Application. An order was entered on December 13, 2007, granting interim compensation and reimbursement of expenses requested in the Twenty-Fifth Quarterly Fee Application.

**Requested Relief**

11. By this Twenty-Seventh Quarterly Fee Application, K&E requests that the Court approve the interim allowance of compensation for professional services rendered and the reimbursement of actual and necessary expenses incurred by K&E for the Fee Period as detailed in the Applications, less any amounts previously paid to K&E pursuant to the Applications and the procedures set forth in the Amended Interim Compensation Order. As stated above, the full scope of services provided and the related expenses incurred are fully described in the Applications, which are attached hereto as Exhibits A through C.

**Disinterestedness**

12. As disclosed in the following affidavits:
  - a. Affidavit of James H.M. Sprayregen in Support of Application for Order Under 11 U.S.C. § 327(a) and Fed. R. Bankr. P. 2014(a) Authorizing the Employment and Retention of Kirkland & Ellis as Attorneys for the Debtors and Debtors in Possession (the “Original Affidavit”), filed April 2, 2001;
  - b. First Supplemental Affidavit of James H.M. Sprayregen Under 11 U.S.C. § 327(a) and Fed. R. Bankr. P. 2014 (the “First Supplement”), filed April 17, 2001;
  - c. Second Supplemental Affidavit of James H.M. Sprayregen Under 11 U.S.C. § 327(a) and Fed. R. Bankr. P. 2014 (the “Second Supplement”), filed May 2, 2001;
  - d. Third Supplemental Affidavit of James H.M. Sprayregen Under 11 U.S.C. § 327(a) and Fed. R. Bankr. P. 2014 (the “Third Supplement”), filed July 24, 2001;
  - e. Fourth Supplemental Affidavit of James H.M. Sprayregen Under 11 U.S.C. § 327(a) and Fed. R. Bankr. P. 2014 (the “Fourth Supplement”), filed September 13, 2001;
  - f. Fifth Supplemental Affidavit of James H.M. Sprayregen Under 11 U.S.C. § 327(a) and Fed. R. Bankr. P. 2014 (the “Fifth Supplement”), filed October 24, 2001;
  - g. Sixth Supplemental Affidavit of James H.M. Sprayregen under 11 U.S.C. § 327(a) and Fed. R. Bankr. P. 2014 (the “Sixth Supplement”), filed November 13, 2001;
  - h. Seventh Supplemental Affidavit of James H.M. Sprayregen Under 11 U.S.C. § 327(a) and Fed. R. Bankr. P. 2014 (the “Seventh Supplement”), filed April 11, 2002;
  - i. Eighth Supplemental Affidavit of James H.M. Sprayregen Under 11 U.S.C. § 327(a) and Fed R. Bankr. P. 2014 (the “Eighth Supplement”), filed May 23, 2002;
  - j. Ninth Supplemental Affidavit of James H.M. Sprayregen Under 11 U.S.C. § 327(a) and Fed R. Bankr. P. 2014 (the “Ninth Supplement”), filed July 19, 2002;

- k. Tenth Supplemental Affidavit of James H.M. Sprayregen Under 11 U.S.C. Section 327(a) and Fed. R. Bankr. P. 2014 (the “Tenth Supplement”), filed September 18, 2002;
- l. Eleventh Supplemental Affidavit of James H.M. Sprayregen Under 11 U.S.C. Section 327(a) and Fed. R. Bankr. P. 2014 (the “Eleventh Supplement”), filed March 11, 2003;
- m. Twelfth Supplemental Affidavit of James H.M. Sprayregen Under 11 U.S.C Section 327(a) and Fed. R. Bankr. P. 2014 (the “Twelfth Supplement”), filed September 20, 2004;
- n. Amendment to the Twelfth Supplemental Affidavit of James H.M. Sprayregen Under 11 U.S.C Section 327(a) and Fed. R. Bankr. P. 2014 (the “Amended Twelfth Supplement”) (collectively, the Original Affidavit and the First through Amended Twelfth Supplements are the “Affidavits”), filed December 2, 2004;
- o. Thirteenth Supplemental Affidavit of James H.M. Sprayregen Under 11 U.S.C Section 327(a) and Fed. R. Bankr. P. 2014 (the “Thirteenth Supplement”), filed February 10, 2005;
- p. Fourteenth Supplemental Affidavit of James H.M. Sprayregen Under 11 U.S.C Section 327(a) and Fed. R. Bankr. P. 2014 (the “Fourteenth Supplement”), filed June 14, 2005;
- q. Fifteenth Supplemental Affidavit of James H.M. Sprayregen Under 11 U.S.C. Section 327(a) and Fed. R. Bankr. P. 2014 (the “Fifteenth Supplement”), filed December 12, 2005;
- r. Sixteenth Supplemental Affidavit of James H.M. Sprayregen Under 11 U.S.C. Section 327(a) and Fed. R. Bankr. P. 2014 (the “Sixteenth Supplement”), filed March 20, 2006;
- s. Seventeenth Supplemental Affidavit of James H.M. Sprayregen Under 11 U.S.C. Section 327(a) and Fed. R. Bankr. P. 2014 (the “Seventeenth Supplement”), filed April 17, 2006;
- t. Eighteenth Supplemental Affidavit of James H.M. Sprayregen Under 11 U.S.C. Section 327(a) and Fed. R. Bankr. P. 2014 (the “Eighteenth Supplement”), filed May 22, 2006;
- u. Nineteenth Supplemental Affidavit of James H.M. Sprayregen Under 11 U.S.C. Section 327(a) and Fed. R. Bankr. P. 2014 (the “Nineteenth Supplement”), filed June 23, 2006;

- v. Twentieth Supplemental Affidavit of Richard M. Cieri Under 11 U.S.C. Section 327(a) and Fed. R. Bankr. P. 2014 (the "Twentieth Supplemental"), filed October 23, 2006.
- w. Twenty-First Supplemental Affidavit of Theodore L. Freedman Under 11 U.S.C. Section 327(a) and Fed. R. Bankr. P. 2014 (the "Twenty-First Supplemental"), filed April 9, 2007.
- x. Twenty-Second Supplemental Affidavit of Theodore L. Freedman Under 11 U.S.C. Section 327(a) and Fed. R. Bankr. P. 2014 (the "Twenty-First Supplemental") (collectively, the Original Affidavit and the First through Twenty-Second Supplements are the "Affidavits"), filed November 1, 2007.

K&E does not hold or represent any interest adverse to the estates, and has been, at all relevant times, a disinterested person as that term is defined in section 101(14) of the Bankruptcy Code as modified by section 1107(b) of the Bankruptcy Code.

13. K&E may have in the past represented, may currently represent, and likely in the future will represent parties-in-interest in connection with matters unrelated to the Debtors and the Chapter 11 Cases. K&E disclosed in the Affidavits its connections to parties-in-interest that it has been able to ascertain using its reasonable efforts. K&E will update the Affidavits when necessary and when K&E becomes aware of material new information.

#### REPRESENTATIONS

14. K&E believes that the Twenty-Seventh Quarterly Fee Application complies with the requirements of Del.Bankr.LR 2016-2 and the Amended Interim Compensation Order.

15. K&E performed the services for which it is seeking compensation on behalf of or for the Debtors and their estates, and not on behalf of any committee, creditor or other person.

16. During the Fee Period, K&E has received no payment and no promises for payment from any source for services rendered or to be rendered in any capacity whatsoever in

connection with these Chapter 11 Cases other than the interim compensation payments pursuant to the Amended Interim Compensation Order.

17. Pursuant to Fed. R. Bank. P. 2016(b), K&E has not shared, nor has agreed to share, (a) any compensation it has received or may receive with another party or person other than with the partners, counsel and associates of K&E, or (b) any compensation another person or party has received or may receive in connection with the Chapter 11 Cases.

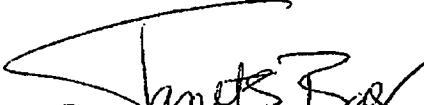
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WHEREFORE, K&E respectfully requests that the Court enter an order providing that (a) for the Fee Period, October 1, 2007, through December 31, 2007, an administrative allowance be made to K&E in the sum of (i) \$7,183,739.50 as compensation for reasonable and necessary professional services rendered to the Debtors and (ii) \$4,071,771.01 for reimbursement of actual and necessary costs and expenses incurred, for a total of \$11,255,510.51; (b) the Debtors be authorized and directed to pay to K&E the outstanding amount of such sums less any sums previously paid to K&E pursuant to the Applications and the procedures set forth in the Amended Interim Compensation Order and (c) this Court grant such further relief as is equitable and just.

Wilmington, Delaware  
Dated: February 14, 2008

Respectfully submitted,

KIRKLAND & ELLIS LLP

  
\_\_\_\_\_  
Janet S. Baer  
David M. Bernick, P.C.  
200 East Randolph Drive  
Chicago, Illinois 60601  
(312) 861-2000

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re: ) Chapter 11  
 )  
W. R. GRACE & CO., et al.<sup>1</sup> ) Case No. 01-01139 (JKF)  
 ) (Jointly Administered)  
 )  
Debtors. )  
 )

**VERIFICATION**

STATE OF ILLINOIS )  
 ) ss.  
COUNTY OF COOK )

Janet S. Baer, after being duly sworn according to law, deposes and says:

1. I am a partner with the applicant law firm Kirkland & Ellis LLP ("K&E"),

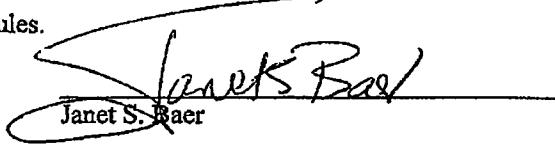
and have been admitted to the Bar of the Supreme Court of Illinois since 1982.

2. I have personally performed many of the legal services rendered by K&E as counsel to the above-captioned debtors and debtors in possession (the "Debtors"), and I am familiar with the other work performed on behalf of the Debtors by the lawyers and paraprofessionals of K&E.

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<sup>1</sup> The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food 'N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

3. I have reviewed the foregoing Application, and the facts set forth therein are true and correct to the best of my knowledge, information and belief. Moreover, I have reviewed the Local Bankruptcy Rules for the District of Delaware and submit that the Application substantially complies with such rules.

  
Janet S. Baer

SWORN AND SUBSCRIBED  
before me this 14<sup>th</sup> day of February, 2008

Stephanie G. Jordan  
Notary Public  
My Commission Expires: 6/23/08

